



MEMORANDUM

To: The Honorable Mitch Greenlick, Chair, House Health Care Committee
The Honorable Alissa Keny-Guyer, Vice-Chair, House Health Care Committee
The Honorable Jim Thompson, Vice-Chair, House Health Care Committee
Members of the House Health Care Committee

From: Bryan Boehringer, OMA Government Relations Director

Date: February 25, 2013

Re: Opposition to HB 2522

The OMA opposes HB 2522, which would require CCOs to provide access to chiropractic, naturopathic, nurse practitioner, acupuncturists, licensed massage therapists and optometrists to CCO recipients and pay all providers, regardless of licensure or certification, the same reimbursement rates. Mandating the types of provider services and rates directly limits the ability of the CCO to develop new models of care that achieve the goals of health transformation, including lower costs and improved patient outcomes. CCOs need to have the flexibility to contract with the best providers for their patient population to ensure both quality outcomes for their patients and create competitive pressure between providers to continuously improve. The oldest CCO to date has existed less than five months and it is too early in the process to mandate how a CCO engages with its individual provider community.

During the formation of the CCO legislation (SB 1580) in the 2012 legislative session, the legislature included non-discrimination clauses to allow CCOs the ability to create provider panels that included non-traditional providers. Non-discrimination ensures participation of all provider types in the CCO but does not dictate reimbursement rates. This has already been evidenced in the early stage of CCO implementation- many CCOs already contract with many of these providers but are able to do so in a manner that ensures the best quality outcomes for their clients.

Mandating reimbursement rates among all providers will cripple the CCOs financially. This bill will not add to the CCO global budget and instead, will force the CCO to allocate more to provider reimbursement. Forcing the CCO to contract and pay all providers the same rate disallows for innovative models such as team-based care; a model that has been proven to reduce costs.

In addition, CCO control of their provider panel is vital to a CCOs ability to meet the state's accountability and quality pool metrics. Requiring the CCO to contract with the listed providers, some

of whom do not practice evidence-based medicine or utilize accountability and quality metrics, places the CCOs performance in jeopardy and could result in penalties and/or increased costs to the CCO.

The CCO experience is still new and we need to give the CCO's an opportunity to develop panels and payment reform models that best serve their local communities.

The Oregon Medical Association is an organization of over 7,500 physicians, physician assistants, and medical students organized to serve and support physicians in their efforts to improve the health of Oregonians. Additional information can be found at www.theOMA.org.